

**BOARDS FOR DESIGN PROFESSIONALS
PERFORMANCE AUDIT
DECEMBER 2002**

**DEPARTMENT OF ADMINISTRATION
BUREAU OF AUDITS
ONE CAPITOL HILL
PROVIDENCE, RI 02908-5889**



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Department of Administration
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BOARDS FOR DESIGN PROFESSIONALS
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EXECUTIVE SUMMARY

The Boards for Design Professionals (the Boards) should meet with the Department of Administration's Central Services Division to discuss and mitigate operational, security, and safety concerns that have been raised by the Boards because of the office and storage space they were given to occupy at One Capitol Hill by the Department of Administration.

The Boards should consider updating their records management policies to increase efficiency. They should meet with the Office of Secretary of State, State Archives and Public Records Administration and also seek assistance from their national boards and associations concerning best practices for maintaining and storing records. The Boards should also seek legal assistance in drafting proposed changes to the statutes covering their respective boards to reflect the changing environment in the licensing of applicants.

The complaint process could be made more efficient by resolving the status of older cases, computerizing the complaint log, and seeking investigative services.

The Boards should make every effort to deposit all monies received and dispose of all surplus equipment in accordance with state procedures.

The Governor should be notified that a member of the general public needs to be nominated to serve on the Board of Examiners of Landscape Architects in accordance with Rhode Island General Law 5-51-2.

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TABLE OF CONTENTS

	<u>Page</u>
EXECUTIVE SUMMARY	i
LETTER OF TRANSMITTAL	1
INTRODUCTION:	
Objectives, Scope, and Methodology	2
Background	2
FINDINGS AND RECOMMENDATIONS:	
Office Operations	3
Security.....	3
Safety.....	4
Complaint Process	5
Compliance With State Laws and Regulations	6
Cash Receipts	6
Surplus/Obsolete Equipment	6
Composition of Board of Landscape Architects	7
MANAGEMENT’S RESPONSE TO FINDINGS AND RECOMMENDATIONS	8



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December 10, 2002

Karen Beck, RLA
Board of Examiners of Landscape Architects
One Capitol Hill
Providence, RI 02908

Nicholas W. Capezza Jr., PE, Chairman
Boards for Design Professionals
One Capitol Hill
Providence, RI 02908

Joseph Frisella, PLS, PE
State Board of Registration for Professional
Land Surveyors
One Capitol Hill
Providence, RI 02908

Mark Saccoccio, NCARB, AIA
Board of Examination & Registration
of Architects
One Capitol Hill
Providence, RI 02908

Dear Board Chairmen:

We have completed our performance audit of the Boards for Design Professionals. Our audit was conducted in accordance with Sections 35-7-3 and 35-7-4 of the Rhode Island General Laws.

The findings and recommendations included herein have been discussed with management and we have considered their comments in the preparation of our report. Management's responses to our recommendations are included in this report.

In accordance with Section 35-7-4 of the Rhode Island General Laws, we will review the status of the Boards for Design Professionals' corrective action plan within 6 months from the date of issue of this report.

Sincerely,

Stephen M. Cooper
Stephen M. Cooper, CFE, CGFM
Chief, Bureau of Audits

SMC:pp

BOARDS FOR DESIGN PROFESSIONALS
PERFORMANCE AUDIT
DECEMBER 2002

INTRODUCTION

Objectives, Scope, and Methodology

We have conducted a performance audit of the Boards for Design Professionals, for the fiscal year ended June 30, 2001 and period from July 1, 2001 to April 30, 2002. Our objectives were to evaluate the adequacy and effectiveness of managerial controls, the economy of resources, and compliance with significant laws and regulations applicable to the program. Our audit was made in accordance with *The Standards for the Professional Practice of Internal Auditing* issued by the Institute of Internal Auditors.

To accomplish our objectives, we obtained an understanding of the program procedures for license registration, exam applications and testing, and the handling of complaints to ascertain whether the results were consistent with the goals and objectives of the program and were carried out as planned. We also reviewed the reliability and integrity of financial and operating information. We interviewed responsible personnel and performed tests of the accounting records and other such auditing procedures, as we considered necessary in the circumstances.

The findings and recommendations included herein have been discussed with management, and we have considered their comments in the preparation of our report. Section 35-7-4 (c) of the Rhode Island General Laws requires the auditee to respond within 60 days to all recommendations in this report. Management's response to our audit findings and recommendations is included in this report.

Background

The Boards for Design Professionals consist of the Board of Registration for Professional Engineers, the Board of Examination and Registration of Architects, The State Board of Registration for Land Surveyors, and the Board of Examiners of Landscape Architects. These separate Boards are combined for financial and budgetary purposes to assist members in the promotion and promulgation regulatory processes for engineering, land surveying, and architecture that demonstrate high standards of knowledge, competence, professional development, and ethics. The Boards--through their affiliations with national boards and committees--strive to achieve excellence in uniform laws, licensing standards, and professional ethics for the protection of the public's health, safety and welfare by shaping the future of professional licensure. The Boards currently occupy an area on the third floor of the Department of Administration Building in Providence.

BOARDS FOR DESIGN PROFESSIONALS
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FINDINGS AND RECOMMENDATIONS

Office Operations

In 1999 the Boards for Design Professionals office lease was going to expire and the Boards found a replacement site. Due to imposed budgetary restrictions they instead moved into the Department of Administration Building. Also, that office was not accessible for public meetings. Out of necessity and perhaps on the assumption it was to be temporary, the Board's operations were set up quickly. This has led to difficulties in the economy and efficiency of operations and has raised security and safety concerns that need to be addressed by the Boards and the Department of Administration.

The Boards' administrator and administrative staff currently occupy four workstations on the third floor of the building between the Human Resources and Workers' Compensation sections. Two cubicles were redesigned to create three cubicles and a fourth cubicle is located around the corner (two cubicles away.) Filing cabinets and their contents are not located near staff but rather in a storage area located in the basement of the building-parking garage.

Many operational issues have developed because of the distance between staff and their files. Given that much of the information in the Boards' possession is of a confidential nature and the fact that access to the cubicles is not restricted, the materials must be secured before administrators can leave their work areas. Inquiries regarding hearings and hearing materials must be unreasonably delayed by the need to make an appointment to retrieve materials from the storage area. When a meeting room or records are required to satisfy an inquiry appointments need to be made. Walk-in registrants or other members of the public are not always served efficiently because only the Board of Engineers is listed on the building's directory and the work areas have no specific identity or privacy. The Boards cannot accurately determine an individuals' examination status or the fee to be charged to a firm or individual for delinquent registration without verifying archived information; and that is located in the garage. The administrator generally goes to the storage area once a week because going on an "as needed" basis would keep her away from her other duties for too long a period of time.

Security

A portion of the Boards' core business involves working with more than 5,000 records and associated national councils. The present storage area is rapidly becoming full and the filing cabinets cannot be locked because the garage's damp atmosphere could rust the locks shut.

The materials must be secured because they include national testing materials for past and future testing, personal records, complaints, investigations, board records from both executive and public sessions, and other materials of a unique and sensitive nature. All exam materials must be stored in a secure area, per the order of each of the national councils and associations utilized by the individual boards comprising the Boards for Design Professionals. Failure of a board to meet the minimum requirements for exam security or failure to protect the examination from compromise could result in the national council's denial of the State of Rhode Island from using future examinations and/or fines, including the cost of the re-taking of the examination worldwide.

Although the Boards' storage area is contained in a locked and fenced-in area, we observed the area and determined that there is a large enough gap between the top of the fence and the ceiling area to allow for unauthorized access. Many of the filing cabinets have materials on top of them that could be obtained by reaching over the fence with little difficulty. Some of these materials were plans and information being utilized in a complaint/hearing process the Boards are conducting against certain individuals and firms. The storage area itself is so isolated that a person could gain access to the area by either breaking the padlock or cutting the fence without being seen.

Safety

The garage storage area has been in use since the Boards moved to One Capitol Hill in February 1999 and were not secured until November 2000. The administrator goes to the storage area about once a week and generally spends between 1½ to 2 hours retrieving files. The unionized employees of the Boards do not go to the storage area because their union has taken action to protect them. The storage area is located in a dark and isolated section of the garage. The practice of going there alone leaves the administrator vulnerable to an unwitnessed personal attack or injury.

Because the garage storage area has no heat or ventilation the area gets too cold in the winter and too hot in the summer. A fan is kept in the area to help circulate the stagnant air. Although the storage area is lit for general purposes the lighting is inadequate for reading and working with files. The floor and filing cabinets are covered with layers of dust and signs of rusting are evident. Water has collected on the floor during periods of heavy rain or snow causing the cabinets to rust. The cabinets have also sustained damage from overhead pipes that have leaked and from general condensation.

Safety issues such as breathing in car exhaust fumes have also been raised.

It is ultimately the responsibility of the Department of Administration to provide a clean, safe, healthy, secure, and pleasant work environment conducive to worker productivity. Additionally, that responsibility includes risk mitigation activities as part of an overall risk management process. It will require actions by both the Department of Administration and the Boards to effectively manage this situation.

Recommendations

1. The Boards should meet with the Department of Administration to initiate action to mitigate the issues causing security and safety concerns.

Management's Response: Accepted

2. The Boards should meet with the Office of the Secretary of State, State Archives and Public Records Administration to explore ways of updating their records management policies that could reduce the amount of storage space needed through the reasonable and proper disposal of unneeded records and offsite storage techniques.

Management's Response: Accepted

3. The Boards should seek assistance from the national boards and associations to which they belong concerning best practices for storing, maintaining, and securing records.

Management's Response: Accepted

4. The Boards should seek legal assistance in drafting proposed changes to the statutes covering their respective boards in an effort to incorporate statute of limitations regarding retention of records, to impose sanctions against violators, and any other matter deemed pertinent by the Boards.

Management's Response: Accepted

Complaint Process

The current process has board members involved in most investigative and information-gathering services regarding complaints received by the Boards. There are still no professional investigative services available to the Boards as was recommended in our prior audit from 1997. The progress of complaints being handled is recorded in a complaint log/notebook and the ratio of "cases successfully resolved" to "cases filed" is used as a performance measure and included in the budget. While our examination found the handling of complaints to be timely, there are numerous older cases on which the Boards are no longer acting nor do they plan to in the future as the matters and parties involved can no longer be seriously pursued. These cases are not accounted for in the logs.

Recommendations

5. The Boards should determine with their legal counsel the status of these older cases and then activate and log them as current and resolve them, or archive or destroy them in accordance with their record management policy.

Recommendations – (Cont'd)

Management's Response: Accepted

6. The complaint log should be computerized to allow for more efficient operational and reporting purposes.

Management's Response: Accepted

7. The Boards could still use professional investigative services to make additional contracts and to further develop information and cases as part of the overall complaint handling process. This should be included in future budget requests.

Management's Response: Accepted

Compliance With State Laws and Regulations

There are several areas where controls over compliance with state laws and regulations need to be strengthened.

Cash Receipts

Rhode Island General Law 11-28-1 requires that cash receipts should be deposited within seven business days. We noted instances where state procedures were not followed and deposits of receipts were not made in a timely manner. These instances coincided with periods of heightened activity by the Boards usually due to an impending registration or examination period deadline.

Recommendation

8. The Boards should strengthen financial controls to ensure that all monies received are deposited within 7 business days or an extension period should be coordinated with and approved by the General Treasurer.

Management's Response: Accepted

Surplus/Obsolete Equipment

The Boards have surplus/obsolete equipment in the garage storage area with no specific identification of ownership. The procedure for disposing of surplus/obsolete equipment is contained in the "Disposition of Fixed Assets" section of the State Controller's Policy and Procedural Manual entitled, "Fixed Asset Control and Tracking System."

Recommendation

9. The Boards should dispose of their surplus/obsolete equipment by filing Form FA-70, "Report of Retired Fixed Asset" as required by state procedures.

Management's Response: Accepted

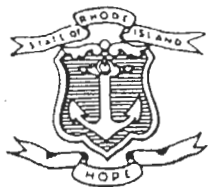
Composition of Board of Landscape Architects

Rhode Island General Law 5-51-2 states, in part, that the Board of Landscape Architects shall be composed of 7 members appointed by the Governor. The Board shall include one member from the Department of Environmental Management, and one from the general public as well as five landscape architects. Currently, there is no representative from the general public.

Recommendation

10. The Boards should notify the Governor that a vacancy exists on the Board of Examiners of Landscape and that a member of the general public should be appointed to serve in accordance with RIGL 5-51-2.

Management's Response: Accepted



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

BOARDS FOR DESIGN PROFESSIONALS

BOARD OF EXAMINATION AND REGISTRATION OF ARCHITECTS

BOARD OF EXAMINERS OF LANDSCAPE ARCHITECTS

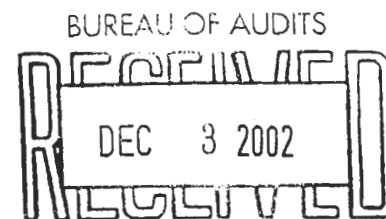
BOARD OF REGISTRATION FOR PROFESSIONAL ENGINEERS

BOARD OF REGISTRATION FOR PROFESSIONAL LAND SURVEYORS

1 CAPITOL HILL, 3rd FLOOR, PROVIDENCE, R.I. 02908-5860

(401) 222-2565 Fax: (401) 222-5744

MEMORANDUM



DATE: 26 November 2001

To: Stephen M. Cooper, Chief
Bureau of Audits

From: Lois Marshall
Administrative Assistant
Boards for Design Professionals

RE: Response to Boards for Design Professionals Performance Audit FY 2001

The Boards for Design Professionals are submitting their response to draft of your revised performance audit. The Boards are requesting that your department address each of the Boards chairman when submitting the final audit.

The chairs are as follows:

Karen Beck, RLA
Board of Examiners of Landscape Architects

Nicholas W. Capezza, PE
State Board of Registration for Professional Engineers

Joseph Frisella, PLS, PE
State Board of Registration for Professional Land Surveyors

Mark Saccoccio, NCARB, AIA
Board of Examination & Registration of Architects

Thank you in advance for your co-operation

26 November 2002

Mr. Stephen M. Cooper, Chief
Department of Administration
Bureau of Audits
1 Capitol Hill
Providence, RI 02908

RE: The Boards for Design Professionals
Performance Audit November 2002

Dear Mr. Cooper:

The Boards for Design Professionals has considered all the findings and recommendations of your recent audit of our records for the fiscal year ended June 30, 2001 and period from July 1, 2001 to April 30, 2002. We would like to respond to each of the ten recommendations that were included in your draft report, dated November 13, 2002.

Office Operations, Security & Safety

Auditor's Recommendation:

1. The Boards should meet with the Department of Administration to initiate action to mitigate the issues causing security and safety concerns.

Board's response: Accept

The Boards have written several times requesting to meet with Administration to discuss security and safety concerns. No responses have been received to date.

Auditor's Recommendation:

2. The Boards should meet with the Office of the Secretary of State, State Archives and Public Records Administration to explore ways of updating their records management policies that could reduce the amount of storage space needed through the reasonable and proper disposal of unneeded records and offsite storage techniques.

Board's response: Accept

The Boards communicated with Bob Chase, Office of the Secretary of State, State Archives, by phone and he told me that he would discuss the Boards' record management with his supervisor. He advised the Boards that there is no procedure for electronically scanning present files. They would have to be stored at Capitol Records at a cost of \$1 per box per year and \$2.75 for record retrieval and refiling. The Boards presently retrieve approximately 10-15 files per week and file immeasurable amounts per week. The other alternative is to microfiche all existing files, which would cost hundreds of thousands of dollars.

Auditor's Recommendation:

3. The Boards should seek assistance from the national boards and associations to which they belong concerning best practices for storing, maintaining, and securing records.

Board's response: Accept

The National Councils only address security issues, which at the present time due to the location of the Boards files do not meet National Council security standards.

Auditor's Recommendation:

4. The Boards should seek legal assistance in drafting proposed changes to the statutes covering their respective boards in an effort to incorporate statute of limitations regarding retention of records, to impose sanctions against violators, and any other matter deemed pertinent by the Boards.

Board's response: Accept

The Boards will seek legal assistance on whether or not to seek proposed changes to the statutes.

Complaint Process

Auditor's Recommendation:

5. The Boards should determine with their legal counsel the status of these older cases and then activate and log them as current and resolve them, or archive or destroy them in accordance with their record management policy.

Board's response: Accept

The Boards' legal counsel has reviewed and closed several years of backlogged cases. This process has not continued due to allocated funds used to prosecute high profile cases.

Auditor's Recommendation:

6. The complaint log should be computerized to allow for more efficient operational and reporting purposes.

Board's response: Accept

The Boards are working on creating a database, which would allow for more efficient operational reporting.

Auditor's Recommendation:

7. The Boards could still use professional investigative services to make additional contracts and to further develop information and cases as part of the overall complaint handling process. This should be included in future budget request.

Board's response: Accept

The Boards presently appoints a Board member to investigate complaints on a case-by-case basis. The Boards will request funds for an investigator as provided by law in FY2004 revised budget.

Cash Receipts

Auditor's Recommendation:

8. The Boards should strengthen financial controls to ensure that all monies received are deposited within 7 business days or an extension period should be coordinated with and approved by the General Treasurer.

Board's response: Accept

The Boards have been making weekly deposits as a result of delegation of duties to other staff members. The Boards will write to the General Treasurer's office for an extension period during peak renewal periods.

Auditor's Recommendation:

9. The Boards should dispose of their surplus/obsolete equipment by filing Form FA-70, "Report of Retired Fixed Asset" as required by state procedures.

Board's response: Accept

The surplus/obsolete equipment being addressed is the property of the Office of Information Processing. The Boards will contact the Office of Information Processing to dispose of this surplus/obsolete equipment.

Auditor's Recommendation:

10. The Boards should notify the Governor that a vacancy exists on the Board of Examiners of Landscape Architects and that a member of the general public should be appointed to serve in accordance with RIGL 5-51-2.

Board's response: Accept

The Board of Examiners of Landscape Architects notified the Governor on July 23, 2001 that a vacancy existed. To date the Governor's office has not appointed a replacement.

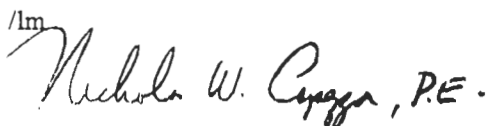
Very truly yours,

BOARDS FOR DESIGN PROFESSIONALS

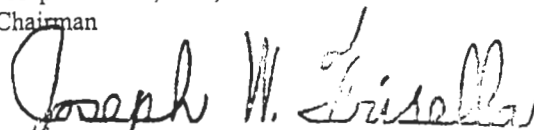
Karen Beck, RLA
Chairperson



Nicholas W. Capezza, PE
Chairman

/lm


Joseph Frisella, PLS, PE
Chairman



Mark Saccoccio, NCARB, AIA
Chairman

